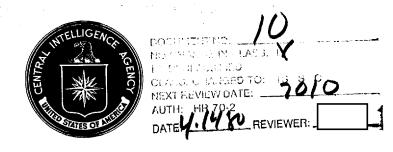
11 July 1959

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CENT'RAL

INTELLIGENCE

BULLETIN



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. 25X1 Approved For Release 2003/01/29: CIA-RDP79T009754004600100001-9 CENTRAL INTELLIGENCE BULLETIN 11 July 1959 25X1 DAILY BRIEF I. THE COMMUNIST BLOC USSR: Khrushchev named Frol Kozlov as his eventual 25X1 successor during a conversation with Governor Harriman on 23 June. Although he cautioned Harriman against wishful thoughts of his own early death, Khrushchev said that both he and Mikoyan agreed that Kozlov will "follow us." He added "Kozlov will be worthy of us," Khrushchev seemed to eliminate his chief party lieutenant, Aleksey Kirichenko, from the succession sweepstakes, but gave no indication how an orderly transfer of power is to be prearranged. Some move to give Kozlov formal authority over the party machine, which he now lacks, would be a necessary step in the process. 25X1 25X1 China-Cuba: The Chinese Communists have established a branch of their official news agency in Havana and are reportedly planning to publish a Chinese-language newspaper. A 25X1 Chinese Communist "journalist" delegation is currently making a substantial propaganda effort in Cuba, following earlier visits to Chile, Brazil, and Uruguay. This activity reflects the sharply increased Chinese Communist effort in Latin America especially apparent since Latin American Communists met with top Chinese officials in Peiping earlier this year. The Chinese apparently view Cuba -- where Communists have made considerable gains under Castro--as a particularly favorable center for developing a propaganda network in the area. 25X1 II. ASIA-AFRICA 25X1

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μ ⁰ 25X1	Cuba-Czechoslovakia: Cuba is interested in purchasing a light-arms factory from Czechoslovakia, according to a reliable source of the American Embassy in Havana. A Czech official already in Cuba discussing tractor sales has indicated that a Czech expert on arms sales is expected in Havana on 13 July.				
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	11 July 59	DAILY BRIEF	iii		

I. THE COMMUNIST BLOC

Khrushchev States Frol Kozlov Will Succeed Him

Khrushchev and Mikoyan have picked Frol Kozlov as their eventual successor, according to statements Khrushchev made to Governor Harriman on 23 June. Khrushchev said, "When we pass on, we will rest easily because we know Kozlov will carry on Lenin's work." "Kozlov will be worthy of us," he added. However, Khrushchev cautioned Harriman against any wishful thoughts of his own early death?

Aleksey Kirichenko, second-in-command of the party secretariat, is apparently out of the running. When asked about Kirichenko, Khrushchev replied, "Why do you ask of Kirichenko?....Don't try to bet on our followers. If you bet on Kirichenko, you will lose.... Bet on our country, not on individuals."

Khrushchev gave no indication of how he intended to arrange for Kozlov's succession to the top leadership position. At the present moment Kozlov, despite Khrushchev's support, probably lacks the personal following in the professional party machine to ensure his succession, and, as a first deputy premier, he is not in the best spot to develop a larger following.

Ultimately Kozlov will have to transfer from the government bureaucracy to the party secretariat and assume more and more responsibility and authority from Khrushchev if he hopes to take over control and maintain his position against other contenders. Khrushchev, however, has shown no disposition to transfer such authority to Kozlov. "I am very jealous of my prerogatives and while I live I will run the party," he told Harriman. Moreover, by being designated heir apparent beforehand, Kozlov is likely to become the target of plotting by other hopefuls and may find it difficult to keep his standing with Khrushchev,

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Peiping Moving to Expand Influence in Cuba and Other Latin American Countries

A group of Chinese Communist "journalists" is making a substantial propaganda effort in Cuba, following earlier visits to Chile, Brazil, and Uruguay. In a press conference in Havana on 7 July, the group's spokesman--an individual in the propaganda department of the Chinese Communist party central committee-said he hoped to discuss trade possibilities with business leaders and suggested that, in view of Cuba's impending land reform, the exchange of Cuban sugar for Chinese Communist agricultural implements might be arranged. The Chinese group will probably propose Cuban adoption of Peiping's earlier land-reform techniques.

Peiping apparently views Cuba as a particularly favorable center for developing a regional propaganda network. It has established a branch of the official New China News Agency in Havana and plans to publish a Chinese-language newspaper in cooperation with the Cuban Communist press. This paper would be intended to influence the local Chinese community--the largest in Latin America, with 20,000 in Havana alone.

The Chinese, who bid for a larger share in the guidance of Latin American Communists earlier this year when Communist

delegations from the area were in Peiping, are also increasing

Latin Americans traveled to China in the first half of 1959 than in all of 1958. These visitors included sizable parliamentary delegations from Peru and Colombia. The Mexican and Ecuadoran Communist parties are reportedly attempting to carry out a recommendation made by Chinese Communist leaders in Peiping to establish a clandestine party apparatus distinct from overt party organization.	
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Split in Ruling Party Threatens Stability in Malaya

A serious threat to the political stability and economic progress of the Federation of Malaya has arisen as a result of a split within the ruling Alliance party. About half of the leaders of the party's Chinese component, the Malayan Chinese Association (MCA), broke with the Malay section of the Alliance, when the Malays refused to accept Chinese demands on candidate apportionment for the 19 August general elections and on the use of the Chinese language in examinations in Chinese schools.

Apparently the dissidents, who are the most politically potent group of MCA leaders, feel that the extreme pro-Chinese position which they are now free to take will result in election victories in all of the 39 districts having a Chinese population majority. They also apparently have some hopes of winning up to 17 more constituencies where it appears the Malay vote might split.

MCA leader Lim Chong Eu is reported to have already met with the leaders of other predominantly Chinese opposition groups in an apparent effort to gain unified Chinese support for single Chinese candidates in each district. Lim's minimum goal is to seat enough Chinese to prevent unilateral Malay amendment of the constitution, which requires a two-thirds majority?

Lim apparently has some hope of actually achieving a Chinese majority in the 104-seat lower house which would pave the way for Malaya's merger with the predominantly Chinese state of Singapore. The Malays, who control the police and army, could be expected to resist forcibly any Chinese effort to force a merger.

In any event, the MCA break with the Alliance, unless repaired, appears likely to lead to nearly complete polarization of the electorate along racial lines in the forthcoming elections. This split, during the heat of the election campaign, may intensify racial animosities to the point where widespread disorders could result.

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Cuba Reported Interested in Purchase of Czech Arms Factory 25X1 Cuba is interested in purchasing a light-arms factory from Czechoslovakia, according to a reliable source of the American Embassy in Havana. A Czech official in Cuba discussing tractor sales reportedly said that a Czech concerned with the sale of military equipment is expected in Havana on 13 July. the Cuban Government is negotiating with the Czechs through Major Raul Castro, Cuban armed forces chief and brother of the prime minister. Cuba has been unable to secure military equipment legally from the United States because of the US embargo on arms shipments to the area during the current Caribbean crisis. At least one Cuban military mission has recently gone to Europe in search of arms. In addition, Major "Che" Guevara, pro-Communist close associate of Fidel Castro, is believed to have discussed the possibility of arms purchases from the UAR during his recent visit there. Unconfirmed reports allege that Guevara plans to visit Czechoslovakia before returning from his current extensive trip to Afro-Asian countries.7 The Cuban Government is undoubtedly aware of the massive arms purchases made in Europe during the last several months by the hostile Dominican Government, which has an efficient arms factory. Since 1955 the Sino-Soviet bloc has frequently and successfully exploited the need or desire of nonbloc underdeveloped countries for military assistance, in many instances employing it as the first stage in an economic penetration program. Czechoslovakia, in particular, has often represented the bloc in such transactions with free-world countries. Prague presumably would be willing to grant long-term, low-interest credits to Cuba to finance the building of an arms factory and, in addition, accept partial or even total repayment in the form of commodities. 25X1

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